

Preliminary Funding Analysis: Findings and Strategies for River Terrace

5/30/2014

Parks		
1. Funding Trend Expected without River Terrace	1.1	Parks funding in Tigard primarily occurs through: * General Fund (+/- \$1.9 M annually) * Special Revenue Parks Bond Fund (mostly committed) * Parks SDC Fund (mostly committed through FY 2020) * Regional and state grants
	1.2	Tigard voters approved \$17 M parks bond in Nov. 2010; dedicated to land acquisition (minimum 80% of proceeds) and improvements (maximum of 20% of proceeds).
	1.3	Tigard has approximately \$800,000 in undedicated funds (Special Parks Bond Fund and Parks SDCs) that could be spent on parks land acquisition (included parks in River Terrace)
	1.4	Parks SDCs per new single family dwelling in Tigard is \$5,997 (FY 2014).
	1.5	Tigard should consider a city-wide parks utility fee with or without River Terrace development
2. Funding Impacts with River Terrace	2.1	Anticipate 280 to 460 net new dwelling units added by FY 2021. Total of 1,480 to 2,260 dwellings expected by FY 2035 Facilities/Capital*
	2.2	Based on the draft Tigard Parks Master Plan amendment, parks improvements in River Terrace are expected to cost +/- \$19.9 M
	2.3	Parks SDC revenue from River Terrace development is expected to range from \$1.7 to \$2.7 M by FY 2021; and \$8.9 to \$13.6 M by FY 2035
	2.4	If city dedicates River Terrace parks SDCs to projects in River Terrace, a +/- \$6.3 to \$11 M capital funding gap would occur by FY 2035 (difference between \$19.9 M capital cost and \$8.9 M to \$13.6 M in SDC revenues) Maintenance/Operations
	2.5	River Terrace expected to increase parks maintenance costs with no dedicated funding for parks operations (O&M costs have not been determined at this time)
	2.6	City should consider a parks utility fee with or without River Terrace. Monthly fee ranging from \$5.58 to \$7.00 should generate about \$1.9M in annual parks funding
3. Draft Funding Strategies for River Terrace		Facilities/Capital*
	3.1	City-wide and/or sub-district parks system development charge (SDC) update may be required along with other funding sources (e.g., bonds, grants and developer improvements) to help bridge the parks capital funding gap
	3.2	Initially city should focus on parks land dedications from developers (eligible for SDC credits) and parks land acquisition Maintenance/Operations
4. Potential Public Facility Plan Projects for River Terrace (by FY 2021)	3.3	Tigard should consider a city-wide parks utility fee with or without River Terrace development
		Potential City-Led Projects
	4.1	Parks land acquisition
		Potential Public-Private Projects
	4.2	Neighborhood parks dedication/construction (as development occurs per development agreements)

PRELIMINARY SUMMARY FINDINGS: PARKS

The City of Tigard's existing parks capital funds are generally committed over next five years. Tigard should consider a city-wide parks utility fee and an update to its parks SDC and a sub-district parks SDC to help bridge funding gaps in River Terrace and address other needs. Development Agreements could be utilized to allow private (developer) advance financing for construction of neighborhood parks (may be eligible for SDC credits and reimbursement).